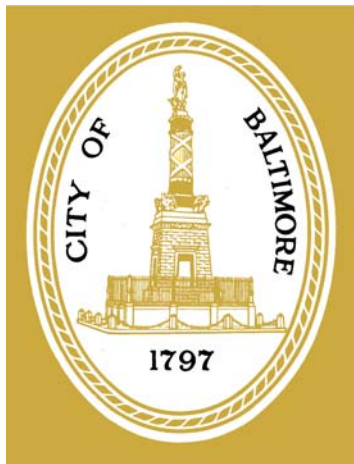


PERFORMANCE AUDIT REPORT

BUREAU OF SOLID WASTE OF THE BALTIMORE CITY DEPARTMENT OF PUBLIC WORKS JULY 2001



City of Baltimore
Department of Audits

CITY OF BALTIMORE

MARTIN O'MALLEY, Mayor



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July 30, 2001

Honorable Joan M. Pratt, Comptroller
And Other Members of the
Board of Estimates
City of Baltimore

We conducted an audit of the payroll, inventory and procurement procedures of the Department of Public Works-Bureau of Solid Waste (Bureau). Our audit focused on key payroll internal controls and procedures during the period from July 1, 1999 through March 31, 2001. We also reviewed controls and procedures related to inventory and the procurement of goods and services during the period from July 1, 1999 through June 30, 2000. We extended the period of coverage of our audit of payroll through March 31, 2001 to determine the effect on internal controls of the procedures implemented in June 2000. The primary focus of the audit procedures related to procurement was on the agreement between the Baltimore City and the Baltimore Refuse Energy Systems Company (BRESKO) concerning solid waste disposal.

The purpose of our audit was to determine whether adequate internal controls were in place to ensure that: 1) payroll disbursements were adequately supported and properly approved; 2) items maintained in inventory were accounted for and properly safeguarded; 3) goods and services were procured with management's authorization, payments were properly calculated and supported, and purchases were made in accordance with the City's policies and procedures.

As a result of our audit, we identified several weaknesses in the procedures for payroll. We also found that the Bureau did not maintain a formal inventory of its supplies and tools, and did not verify the quantities of waste disposed of by BRESKO. We recommend that the Bureau of Solid Waste:

- Complete the Payroll Attendance Reports (PAR) using appropriate source documentation.
- Ensure that leave request forms are submitted and properly authorized for all leave time recorded in the PAR.
- Ensure that overtime request forms are submitted and properly authorized for all overtime recorded in the PAR.

- Establish inventory procedures and records to account for supplies and tools that are stocked in large quantities in the Bureau's warehouse.
- Ensure the accuracy of BRESCO's billings to the City through periodic monitoring of the tonnage of solid waste disposed of at the facility.

We appreciate the cooperation and assistance provided by the staff members of the Bureau of Solid Waste while conducting this audit. Their cooperation and assistance were instrumental to the completion of this audit.

Respectfully submitted,

Yovonda D. Brooks, CPA
City Auditor

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Background Information

The Bureau of Solid Waste is one of four bureaus that comprise the Baltimore City Department of Public Works. The Bureau of Solid Waste is responsible for the removal and disposal of residential refuse, bulk trash, street dirt and eviction chattel; administration of the City-wide recycling program; cleaning of vacant City-owned lots; and trash collection services for the Charles Center/Inner Harbor areas. Approximately 250,000 residential customers receive twice weekly trash collection. The recycling of certain materials such as mixed paper and glass has reduced the volume of disposable solid waste. The disposal of solid waste is accomplished through the use of the Baltimore Refuse Energy Systems Company (BRESKO) and the Quarantine Road Landfill. City materials that are incinerated at BRESKO are used in a waste-to-energy conversion process. The Quarantine Road Landfill, a City-owned and operated facility, provides for the disposal of that solid waste which is not incinerated. Sanitation inspection provides monitoring and enforcement of general neighborhood cleanliness and safety. Citations for violation of local cleanliness laws are issued.

The Bureau is divided into three divisions – Maintenance, Collections and Environmental Services (Disposal). The Maintenance Division includes six locations, Collections has three and Disposal has two locations. Additionally, a Central Office provides administrative and support services for the divisions. In fiscal year 2000, the Bureau's operating budget was \$58,280,516 with 978 budgeted full-time staff positions. Operating funds included general, special and motor vehicle funds.

MAINTENANCE: The Maintenance Division is responsible for cleaning all open City lots and right-of-ways. This division also provides graffiti removal, eviction chattel removal, rat eradication, and other services.

COLLECTIONS: The Collections Division is responsible for residential mixed refuse collection, recycling pick up, servicing condominium units, collecting mixed refuse from 469 City parks, and cleaning the Inner Harbor waterways.

ENVIRONMENTAL SERVICES (DISPOSAL): The Environmental Services Division is responsible for municipal landfill management and operation of the solid waste disposal locations (the Quarantine Landfill and the Northwest Transfer Station). The function of the Quarantine Landfill is to safely and efficiently dispose of waste materials from both the public and private sectors. The function of the Transfer Station is to safely and efficiently collect, compact and transfer solid waste materials to BRESKO and the Quarantine Landfill.

Audit Scope, Objectives and Methodology

We conducted a performance audit of the Department of Public Works Bureau of Solid Waste to evaluate its procedures related to payroll for the period from July 1, 1999 through March 31, 2001 and to evaluate its procedures related to inventory and procurement for the period from July 1, 1999 through June 30, 2000. Our audit was conducted in accordance with generally accepted *Government Auditing Standards* related to performance audits, issued by the Comptroller General of the United States and, accordingly, included such tests of the records and such other auditing procedures as we considered necessary in the circumstances.

The objectives of our audit were to determine whether adequate procedures were in place to ensure that; 1) payroll disbursements were adequately supported and properly approved; 2) items maintained in inventory were accounted for and properly safeguarded; 3) goods and services were procured with management's authorization, payments were properly calculated and supported, and purchases were made in accordance with City policies and procedures.

To accomplish our objectives, we obtained an understanding of the operations of the Bureau and its policies and procedures for payroll, inventory and procurement systems. We also reviewed the City's Administrative Manual for pertinent policies and procedures. We visited three Bureau operation sites (yards), the Central Office and the warehouse facility and performed tests of payroll, inventory and disbursement transactions to determine compliance with the Bureau's and the City's policies and procedures.

During calendar year 2000, the Bureau of Solid Waste initiated an internal review of its payroll policies and procedures. The outcome of this review was that certain policies and procedures were revised, and adherence to already established procedures was re-emphasized. The initial phase of our audit covered pay periods where policies and procedures in effect were prior to the Bureau's internal review. To determine whether the new policies and procedures were properly implemented and enforced, we performed additional audit procedures on pay periods after the effective date of the new procedures. Accordingly, pay periods in March 2000 and March 2001 were included in our audit to cover pay periods before and after implementation of the Bureau's revised payroll procedures.

Our audit findings and recommendations are detailed in the Findings and Recommendations section of this report. The Department of Public Works' response is included as an appendix to this report.

Findings and Recommendations

Payroll

Background

The City's Administrative Manual requires that all agencies and bureaus establish internal controls to provide reasonable protection against various payroll errors and fraud schemes. Internal controls required by the City's Administrative Manual include:

- Use of a positive, documented system to determine presence or absence of employees;
- Assignment of competent and trained staff and alternates to payroll record-keeping and reporting duties;
- Segregation of duties;
- Performance of random unannounced changes in the duties of individuals assigned to payroll functions; and
- Establishment of oversight and authorization responsibilities at appropriate levels.

Various Bureau of Solid Waste employees at the Central Office and operation yard locations prepare the Payroll Attendance Reports (PAR) to generate paychecks. The presence, absence, overtime, compensatory time, holiday or authorized usage of leave time for each employee is recorded on the PAR. Individual time records, daily sign-in/out sheets, leave requests, and overtime approval forms are used to document employees' time and attendance. Excluding temporary personnel, PAR for most of the employees assigned to the operation yards are completed by their supervisors and then submitted to the Bureau's Central Office. PAR for yard supervisory personnel, temporary personnel and Central Office personnel are completed by the Central Office. Although payroll preparation for the Bureau is decentralized, all completed and approved PAR are delivered to the Central Office payroll staff, reviewed for completeness and reasonableness and then forwarded to the Department of Finance's Bureau of Accounting and Payroll Services (BAPS) for processing. Actual salary expenditures for the Bureau of Solid Waste in fiscal year 2000 totaled \$28,164,028. This was 48% of the Bureau's total fiscal year 2000 operating expenditures of \$58,510,258.

As a part of our audit of payroll procedures, we reviewed payroll records maintained by the Central Office and three operation yards for the pay periods ending March 17, 2000, March 26, 2000, March 11, 2001 and March 16, 2001. The pay periods selected in March 2000 were prior to the review of payroll procedures conducted by the Bureau of Solid Waste, while the pay periods selected in March 2001 were after the implementation of the new procedures in June 2000. Our selection included two weekly payrolls and two bi-weekly payrolls.

In addition to the Central Office locations, we reviewed one operation yard from each division in the Bureau – Franklinton Road Yard in the Maintenance Division; Quarantine Road Sanitary Landfill in the Environmental Services Division; and Marine Operations in the Collections Division. There were 270 employees working at these locations in March 2000, and 338 employees working in March 2001.

Conclusion

During fiscal year 2000, Bureau of Solid Waste personnel did not consistently prepare the PAR directly from individual employee time records. We found numerous occurrences where the underlying documentation did not support the time and attendance recorded in the PAR. During fiscal year 2000, Bureau employees did not consistently submit leave and overtime requests to supervisors for approval. There were numerous instances where leave and overtime recorded in the PAR were not supported by leave requests or overtime approval forms. During fiscal year 2001, the Bureau revised its payroll policies and procedures, and considerable improvement in the accuracy and support of its PAR was noted as reflected in the following table:

Summary of Payroll Audit Tests for the Months of March 2000 and March 2001

Bureau Location and Month Tested	Number of Employees at Location	Number of Employees Reviewed	Records do not Agree With PAR	Records do not Support Leave Taken	Records do not Support Overtime	Employee did not Sign-in	Hours not Included on Sign-in Sheet
Marine-March 2001	14	14	0	0	0	1	0
Marine-March 2000	16	16	4	3	2	N/A	N/A
Variance	(2)	(2)	(4)	(3)	(2)	N/A	N/A
% increase/(decrease)	(12.5%)	(12.5%)	(100.0%)	(100.0%)	(100.0%)	N/A	N/A
Quarantine-March 2001	27	27	1	0	1	1	0
Quarantine-March 2000	27	27	2	5	2	N/A	N/A
Variance	0	0	(1)	(5)	(1)	N/A	N/A
% increase/(decrease)	0.0%	0.0%	(50.0%)	(100.0%)	(50.0%)	N/A	N/A
Franklinton-March 2001	119	25	0	5	1	10	7
Franklinton-March 2000	126	126	36	19	52	N/A	N/A
Variance	(7)	(101)	(36)	(14)	(51)	N/A	N/A
% increase/(decrease)	(5.6%)	(80.2%)	(100.0%)	(73.7%)	(98.1%)	N/A	N/A
Central Office-March 2001	178	25	0	3	0	16	0
Central Office-March 2000	101	101	14	27	24	N/A	N/A
Variance	77	(76)	(14)	(24)	(24)	N/A	N/A
% increase/(decrease)	76.2%	(75.2%)	(100.0%)	(88.9%)	(100.0%)	N/A	N/A
Total March 2001	338	91	1	8	2	28	7
Total March 2000	270	270	56	54	80	N/A	N/A
Variance	68	(179)	(55)	(46)	(78)	N/A	N/A
% increase/(decrease)	25.2%	(66.3%)	(98.2%)	(85.2%)	(97.5%)	N/A	N/A

Finding #1

Payroll Attendance Reports were not consistently prepared directly from individual employee time records.

Analysis

Payroll Attendance Reports were not consistently prepared directly from individual employee time records. For the four locations tested, identified in the preceding table, attendance recorded in the time records, as well as leave notations, did not agree to the recordings in the PAR. Specifically, we found that 56 (20.1%) of 270 employee time records did not agree with the hours and leave usage recorded in the PAR for the March 2000 pay periods.

Our review of the payroll records for the March 2001 pay periods indicated that there was significant improvement in compliance with the payroll procedures. Only 1 (1.1%) of 91 employee time records tested did not agree with the PAR for the March 2001 pay periods.

A sign-in sheet was implemented in June 2000 requiring the employee's signature and hours worked on a daily basis. As a part of our review of the pay periods in March 2001, we determined compliance with the new sign-in policy. We found that of the 91 employee payroll records examined for the March 2001 pay periods, 28 (30.1%) were missing employee signatures. Furthermore, 7 (7.7%) other sign-in sheets, signed by employees, did not include the hours worked. The hours worked are essential in substantiating the payroll markings in the PAR.

Recommendation

We recommend that the Bureau ensure that Payroll Attendance Reports are properly and accurately supported by time records. Compliance with the new sign-in procedures should be enforced for all divisions of the Bureau. Signatures and hours worked should be obtained from employees on a daily basis. Copies of supporting documentation should be maintained in accordance with the City's record retention requirements. This documentation includes time books, field salary sheets, sign-in sheets, leave requests, overtime requests and any other payroll records supporting the Payroll Attendance Reports.

Finding #2

Employee leave and overtime hours recorded in the Payroll Attendance Reports were not adequately supported and properly authorized.

Analysis

Employee leave and overtime hours recorded in the Payroll Attendance Reports were not adequately supported and properly authorized. Bureau policy requires that approved leave request and overtime request forms accompany the completed PAR (weekly payroll) and time sheets (bi-weekly payroll) submitted to the Central Office. We reviewed the Bureau's compliance with this policy for the pay periods in both March 2000 and March 2001. Our review disclosed that for March 2000, approved leave request forms for 54 (20.0%) of 270 employee time records tested, and approved overtime request forms for 80 (29.6%) of 270 employee time records tested could not be located. Leave and overtime request forms were

either not submitted by employees or not retained in the payroll records to provide evidence of supervisory approval for reported leave time used or overtime earned.

As discussed in Finding #1 above, there was significant improvement in compliance from March 2000 to March 2001. In the March 2001 pay periods, approved leave request forms for 8 (8.8%) of 91 employee time records tested, and approved overtime request forms for 2 (2.2%) of 91 employee time records tested could not be provided.

Recommendation

We recommend that the Bureau require all employees to submit leave request forms and overtime request forms for supervisor approval when using leave or working overtime. These approval forms should accompany the attendance documentation to the Bureau's Central Office. Approved leave and overtime request forms should be maintained with payroll records in accordance with the City's record retention requirements.

Inventory

Background

The Pratt Street warehouse facility of the Bureau of Solid Waste stocks supplies and tools for use by the Bureau's employees. This facility is the responsibility of the Bureau's Maintenance Division. The Bureau's yards send requests for supplies to the Pratt Street warehouse. Once an order from one of the yards is filled and approved by the Maintenance Division Superintendent, the yard is notified that the supplies are ready for pick up.

Most of the inventory at the Bureau's Pratt Street warehouse is replenished through submission of Bureau of Purchases' warehouse requisitions to the City's Pulaski Highway warehouse. In some cases, direct purchases from vendors are also stored in the warehouse. However, most vendor purchases are delivered directly to the location that made the request.

Items maintained at the Bureau's warehouse include shovels, brooms, rakes, gloves, hokey bags, inclement weather gear, trash and recycling bags, paint, cleaning supplies, etc. Items such as brooms and shovels include several different styles. Items are stored in several locked closets, storerooms and cages with floor to ceiling fencing. Access to these areas is restricted to the division superintendent, warehouse supervisor and crew leader assigned the responsibility for dispensing warehouse supplies. During the period from July 1, 1999 through June 30, 2000, requisitions totaling \$221,303 were charged to the Bureau's program accounts.

Conclusion

Inventory records were not maintained for stored supplies and tools. Additionally, copies of approved requisitions were not used to verify requisitions charged to the Bureau's program accounts.

Finding #3**The Bureau did not maintain inventory records for the items stocked in its warehouse.****Analysis**

The Bureau did not maintain inventory records for the supplies and tools stocked in its Pratt Street warehouse. Inventory counts and the values of the items were not determined in the normal course of warehouse operations. Accordingly, an accurate inventory valuation of the items stored in the warehouse did not exist. An inventory of the stored items is critical in establishing sufficient accounting and physical controls over supplies and tools.

Recommendation

We recommend that the Bureau establish procedures to count and value the items stored in the warehouse and establish perpetual inventory records. Beginning balances for inventory records should be obtained through a physical inventory of all items. Annually, a physical inventory should be taken and compared to the inventory records. Differences between the physical counts and perpetual records should be investigated and reconciled.

Finding #4**Copies of approved warehouse requisitions were not retained by management and used to verify that only authorized items were charged to the Bureau.****Analysis**

Copies of approved warehouse requisitions were not retained by management and used to verify that only authorized items were charged to the Bureau. The requisition forms used to obtain items from the City's Bureau of Purchases warehouse were prepared by the Bureau of Solid Waste's warehouse personnel. The requisitions were forwarded to the division chief and bureau head for authorization and then to the Bureau's fiscal officer to determine funding availability and to assign account numbers. The requisitions were then returned to the warehouse. Warehouse personnel took the requisitions to Purchases' warehouse to have the orders filled and brought the items back to the Bureau's warehouse. The fiscal officer did not retain copies of the requisitions. The fiscal officer also reviewed the Bureau's Level III activity including details of the journal entries generated by the Bureau of Purchases warehouse transactions. However, without retaining copies of the requisitions, the fiscal officer cannot be assured that unauthorized changes were not made subsequent to management's approval.

Recommendation

We recommend that the Bureau's fiscal officer retain copies of the warehouse requisitions before returning them to the Pratt Street warehouse. The fiscal officer should compare the requested items included in the approved requisition to the actual items charged to the Bureau in the City's accounting records and investigate any discrepancies. This procedure will provide greater assurance that the items obtained from Purchases' warehouse were authorized.

Procurement

Background

The Northeast Maryland Waste Disposal Authority (The Authority), a body politic and corporate of the State of Maryland, was created to assist in the provision of waste disposal facilities for the Northeast Maryland area. The Authority provided for the creation of a solid waste disposal facility located in the City of Baltimore by entering into agreements with Baltimore Refuse Energy Systems Company (BRESKO) that provided for the design, construction and operation of the facility with electric and steam generation capacity. The participating subdivisions (Baltimore County, Maryland and the Mayor and City Council of Baltimore) entered into subdivision user contracts with the Authority in which each agreed to supply a specified amount of waste to the facility. The original Disposal Agreement dated November 3, 1982 provided for a Guaranteed Annual Tonnage of 281,250 and Guaranteed Monthly Tonnage of 23,437 for Baltimore City.

Pursuant to the Clean Air Act Amendments of 1990, 42 U.S.C. 7401, et seq. and related regulations, and COMAR 26.11.08, each as amended, BRESKO was required to make certain improvements to the facility's original air emission control equipment. The facility's improvement cost, including all costs and expenses incurred in the design, permitting, construction, equipping and testing of the facility improvements, is \$36,450,000. On December 9, 1998, the Baltimore City Board of Estimates approved an agreement with BRESKO to pay a tipping fee adjustment in the approximate amount of \$17,500,000 to compensate BRESKO for approximately 50% of the improvements. This amount is to be paid over a three and one-half year period to commence in January 1999.

According to Schedule 1 of the amended Disposal Agreement, dated December 17, 1998, the Guaranteed Annual Tonnage for Baltimore City is 275,625 and Guaranteed Monthly Tonnage is 22,969. The Authority pays to BRESKO a base tipping fee and a tipping fee adjustment for each ton of "acceptable waste" delivered by or on behalf of the City. The base tipping fee is \$30.82 and \$36.00 per ton for calendar years 1999 and 2000, respectively. The tipping fee adjustment, to cover the \$17,500,000 City share of the improvements, is \$35.23 and \$15.32 per ton of acceptable waste for calendar years 1999 and 2000, respectively. During calendar year 1999, tipping fee payments totaled \$9.3 million and tipping fee adjustment payments totaled \$9.4 million.

BRESKO operates and maintains motor truck scales, calibrated to the accuracy required by Maryland law, to weigh all vehicles delivering waste to the facility or removing rejected waste, residue, recovered materials or returned waste. Each vehicle delivering waste is to have its tare weight (weight of the vehicle) and an identification of the participating subdivision delivering on behalf of the authority, permanently indicated and conspicuously displayed on the exterior of the vehicle. Each loaded vehicle is weighed and a weight record is completed indicating gross weight, tare weight, date and time, and the vehicle identification; vehicle drivers are also given a weight ticket which details this same information. BRESKO maintains daily records of the total tonnage of waste delivered to the facility, the tonnage of "acceptable" waste, and the tonnage of recovered materials, rejected waste, residue and returned waste.

Finding #5

The City did not verify the accuracy of the quantity of waste disposed at the Baltimore Refuse Energy Systems Company.

Analysis

Neither the Bureau of Solid Waste nor the Bureau of Accounting and Payroll Services verified the quantity of waste disposed per the individual weight tickets at BRESKO to determine the accuracy of tipping fee billings. Each month BRESKO submits to BAPS a report of the tonnage of waste disposed and an invoice for payment. BAPS verifies the extensions of invoiced quantities times the billing rates to recompute the tipping fees. Payment is made to BRESKO based on the amounts recomputed by BAPS. Although this process assures that the amount is correctly calculated based on the invoiced tonnage, there is no independent verification of the tonnage reported.

Recommendation

We recommend that either the Bureau of Solid Waste or the Bureau of Accounting and Payroll Services verify the quantity of waste disposed by periodically tracing a sample of weight tickets provided to the drivers to the quantity billed by BRESKO.

APPENDIX I

THE DEPARTMENT OF PUBLIC WORKS' RESPONSE


TO THE

PERFORMANCE AUDIT OF THE

BUREAU OF SOLID WASTE

OF THE BALTIMORE CITY

DEPARTMENT OF PUBLIC WORKS

FROM	NAME & TITLE	George L. Winfield, Director	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Department of Public Works 600 Abel Wolman Municipal Building		
	SUBJECT	PERFORMANCE AUDIT REPORT		

TO: Mr. Michael Maguire
Audit Supervisor, CPA
Department of Audits
Room 903, Benton Building

DATE: July 23, 2001

This memorandum is to thank the Department of Audits for its efforts in working with the Bureau of Solid Waste.

The Department realizes the improvement in efficiency, but also realizes additional work is required. As a result, the Department will address each concern separately as follows:

- ☐ Payroll attendance records were not consistently prepared directly from individual employee time records.

The Department requires employees to sign in and out daily. This is part of the payroll procedure. This procedure was not required by all employees in March 2000, but implemented in June of that year. In March 2001, a significant improvement took place as compared to the previous year as a result of the procedure. The Department will ensure that payroll attendance records are properly and accurately supported by time records. Sign-in procedures will be enforced for all divisions of the Bureau of Solid Waste. Signatures and hours worked will be obtained from employees on a daily basis and documentation will be maintained in accordance with the City's Record Retention Requirements.

- ☐ Employee leave and overtime hours recorded in the payroll attendance records were not adequately supported and properly authorized.

The Bureau of Solid Waste requires all employees to submit leave requests to their superiors for approval. The request will accompany the attendance documentation to the Bureau's Central Office. This procedure was not in effect in March 2000. It was initiated in June 2000, which would indicate the improvement in accountability in March 2001. Previously, any pre-approved leave required an authorization slip. Currently, all hours away from the job requires documentation. In April 2001, the Department implemented an additional requirement for approving overtime. The daily overtime authorization slips are still required, however, two additional forms have been implemented for a senior staff member (Bureau Head, Chief) to approve emergency overtime or advance overtime approval. The aforementioned authorizations either accompany the payroll records or join them shortly after their submission.

- ❑ The Bureau did not maintain inventory records for the items stocked in its warehouse.

The Bureau of Solid Waste will establish a procedure to count and value all items stored in the warehouse and establish inventory records. Quarterly, a physical inventory will be taken and compared to the inventory records.

- ❑ Copies of approved warehouse requisitions were not retained by management and used to verify that only authorized items were charged to the Bureau.

The Bureau's Fiscal Officer will retain a copy of all warehouse requisitions before returning it to the warehouse. The Fiscal Officer will compare the requested items included in the approved requisition to the actual items charged to the Bureau in the City's accounting records. The Bureau's Fiscal Officer will meet with the Warehouse Supervisor quarterly.

- ❑ The City did not verify the accuracy of the quantity of waste disposal at BRESCO.

The Bureau of Solid Waste will be meeting with representatives from the Bureau of Accounting and Payroll Services to arrange for monthly meetings, or as required, to verify charges submitted by BRESCO.

Attached you will find the Agency's response to be included in the Performance Audit Report. Pubic Works appreciates the opportunity to work with the Department of Audits.

GEORGE L. WINFIELD
DIRECTOR

Attachment

GLW:sjc

cc: Mr. Joseph A. Kolodziejski
File: bsw/msw/MIKE MAQUIRE AUD RPT glw

AGENCY RESPONSE

The Department of Public Works' Bureau of Solid Waste appreciates working with the Bureau of Audits to improve efficiency and accountability in the Solid Waste operation. The results of the findings on overtime and leave records for the period of March 2000 as compared to March 2001 serves as an example of the improvement in accountability. The Bureau will continue to work to improve on the March 2001 findings on overtime. The Department now requires that two additional forms approving overtime be used. One form is for the use of emergency overtime. When a load packer crew is required to work overtime, the form is completed on the date of the required overtime including all employees' names along with the hours and reason for the overtime, and then approved. The other form is overtime that is approved in advance for individuals that will work a special event (holiday, Artscape, etc.).

Only employees requesting pre-approved leave previously required leave time authorization. Individuals calling in for days off were either approved or denied, but not required to submit a leave request form. This policy has been changed, which reflects the improvement.

From March 2000 as compared to March 2001, all employees submit leave slips for time away from the job.

Inventory records and warehouse requisitions require improved control. The Bureau of Solid Waste will implement a procedure, which will require the purchase of all materials to be kept on file in the Bureau's Fiscal Office. In addition, the same inventory will be kept at the Bureau's Supply Depot and inspected quarterly. The depot will be required to document what is being received and disbursed as part of a daily procedure.

The Bureau of Solid Waste along with the Bureau of Accounting and Payroll Services will meet monthly to verify tonnage information submitted to the City by BRESCO.